



REPORTING GLOSSARY

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ABOUT THIS GLOSSARY

This glossary contains explanations of the terms and abbreviations used in South32's external documents. This includes in our Annual Reporting Suite and sustainability approach documents.

 You can view all the documents at www.south32.net

Acknowledgement

We acknowledge and pay our respects to the Indigenous, Traditional and Tribal Peoples of the lands, waters and territories on which South32 is located and where we conduct our business around the world.

We respect and acknowledge the unique cultural and spiritual relationships that Indigenous, Traditional and Tribal Peoples have to the lands, waters and territories, and their rich contribution to society.

In the spirit of respect and reconciliation, we will continue to support initiatives that strengthen culture and ways of life so that their legacy continues and extends to future generations.



GLOSSARY OF TERMS AND ABBREVIATIONS

ABC

Anti-bribery and corruption.

ADR

American Depositary Receipts.

AASB

Australian Accounting Standards Board.

Absolute emissions

The total amount of GHGs emitted into the atmosphere over a specific period regardless of factors like economic output or intensity.

Acid Rock Drainage (ARD)

Acidic water rich in heavy metals that can occur during and after site operation as a result of exposing naturally encapsulated rock and soil to air and water.

Adjusted return on invested capital (ROIC)

Calculated as Underlying EBIT, adjusted for uncontrollable and one-off impacts in the current financial year, less the discount on rehabilitation provisions included in Underlying net finance costs, tax effected by the Group's prior period Underlying effective tax rate (ETR) including our material equity accounted investments on a proportional consolidation basis, divided by the sum of fixed assets (excluding any rehabilitation assets, the impact of any impairments or impairment reversals, and unproductive capital) and inventories.

Adjusted Underlying EBITDA

Calculated as Underlying EBITDA (being Earnings before interest, tax, depreciation and amortisation, including the proportional consolidation of our material equity accounted investments), adjusted for uncontrollable impacts (commodity prices, foreign exchange, and price-linked costs) and other adjustments.

AGM

Annual General Meeting.

Air emissions

Air emissions are non-greenhouse gas air emissions associated with our activities, which include gaseous air emissions such as sulphur oxides (SO_x), nitrogen oxides (NO_x) and fluoride, and particulate matter such as dust.

Alumina

Aluminium oxide (Al₂O₃). Alumina is produced from bauxite in the Bayer refining process. It is then converted (reduced) in an electrolysis cell to produce aluminium metal.

Aluminium Stewardship Initiative (ASI)

The ASI works together with producers, users and stakeholders in the aluminium value chain to collaboratively foster responsible production, sourcing and stewardship of aluminium.

American Depositary Receipts (ADR)

An ADR is a security that represents shares of non-United States companies that are held by a US depositary bank outside the US.

AO

Officer of the Order of Australia.

Artificial intelligence

Artificial intelligence (AI) is the ability for machines to complete tasks commonly associated with human intelligence.

ASX

ASX Limited or Australian Securities Exchange.

ASX Listing Rules

The rules governing the listing of an entity and the quotation of its securities on the ASX.

ASX Listing Rules (Chapter 5)

This chapter of the ASX Listing Rules sets out additional reporting and disclosure requirements for mining entities, oil and gas entities, and other entities reporting on mining and oil and gas activities.

Australian Carbon Credit Unit (ACCU)

A carbon offset credit issued by the Australian Government under the Australian Carbon Credit Unit Scheme. Each ACCU represents one tonne of carbon dioxide-equivalent emissions reduced or abated by approved projects.

Australian Securities and Investments Commission (ASIC)

The independent Australian Government body that is Australia's integrated corporate, markets, financial services and consumer credit regulator.

Baseline water stress

The ratio of total annual water withdrawals to total available renewable surface and groundwater supplies, accounting for upstream consumptive use. Higher values indicate more competition among users. The values and definition of baseline water stress have been derived from World Resources Institute (WRI) Aqueduct 4.0.

Base metal

A common metal that is not considered precious, such as aluminium, copper, zinc and lead.

Bauxite

Principal commercial ore of aluminium.

B-BBEE

Broad-Based Black Economic Empowerment.

Beneficiation

The process of physically separating ore from gangue to produce a mineral concentrate prior to subsequent processing.

BHP

BHP, formerly known as BHP Billiton, is the group of companies headed by, and including, BHP Group Ltd and BHP Group plc.

Biodiversity

Refers to the variety of living organisms from all sources including terrestrial, marine and other aquatic ecosystems and the ecosystems of which they are a part.

Black People

As defined in the *Broad-Based Black Economic Empowerment Amendment Act 2013* (South Africa), a generic term meaning Africans, Coloureds and Indians who are citizens of the Republic of South Africa by birth or descent; or who become citizens of the Republic of South Africa by naturalisation before 27 April 1994 or on or after 27 April 1994 and who would have been entitled to acquire citizenship by naturalisation prior to that date.

Board

The Board of Directors of South32 Limited.

Brownfield

An exploration or development project located within an existing mineral province, which can share infrastructure and management with an existing operation.

Carbon Border Adjustment Mechanism (CBAM)

A CBAM is a mechanism implemented by governments to account for the carbon cost of producing imported goods, with the ultimate aim of reducing greenhouse gas emissions and supporting global progress towards net zero. The European Union CBAM entered into force on 1 October 2023.

Carbon credit

An emissions unit that is issued by a carbon crediting program and represents an emission reduction or removal of greenhouse gases. Carbon credits are uniquely serialised, issued, tracked and cancelled by means of an electronic registry.

Catchment

The area of land from which all surface runoff and subsurface water flows through a sequence of streams, rivers, aquifers and lakes into the sea or another outlet at a single river mouth, estuary, or delta.

Catchments include associated groundwater areas and might include portions of waterbodies (such as lakes or rivers). In different parts of the world, catchments are also referred to as 'watersheds' or 'basins' (or sub-basins).

CCAP

Climate Change Action Plan sets out our approach to addressing risks and opportunities presented by climate change. Our CCAP is updated at least every three years with progress reported annually and is available at www.south32.net.

CEO

Chief Executive Officer.

CFO

Chief Financial Officer.

Climate-related Risks and Opportunities

Climate-related risks refers to the potential negative effects of climate change on an entity. These risks are categorised as climate-related physical risks and climate-related transition risks.

Climate-related opportunities refers to the potential positive effects arising from climate change for an entity. Efforts to mitigate and adapt to climate change can produce climate-related opportunities for an entity.

Climate Resilience

The capacity of an entity to adjust to climate-related changes, developments or uncertainties. Climate resilience involves the capacity to manage climate-related risks and benefit from climate-related opportunities, including the ability to respond and adapt to climate-related transition risks and climate-related physical risks. An entity's climate resilience includes both its strategic resilience and its operational resilience to climate-related changes, developments and uncertainties.

Coal Reserve

The same meaning as Ore Reserve, but specifically concerning coal.

Coal Resource

The same meaning as Mineral Resource, but specifically concerning coal.

CO₂-e

Carbon dioxide equivalent. The universal unit of measurement to indicate the global warming potential of each greenhouse gas, expressed in terms of the global warming potential of one unit of carbon dioxide. This unit is used to evaluate releasing (or avoiding releasing) different greenhouse gases against a common basis.

Coking coal

Used in the manufacture of coke, which is used in the steelmaking process by virtue of its carbonisation properties. Coking coal is a form of, and may also be referred to as, metallurgical coal.

Community complaints and grievances

A community complaint is a verbal or written notification made directly to a South32 representative by a member of the community relating to an adverse impact on the community from the Company's activities and/or employee or contractor behaviour in part or in whole.

A community grievance is a complaint relating to an adverse impact on a community member(s) that has escalated to the point where it requires third-party intervention or adjudication to resolve. Grievances may involve more than one community member or family and relate to disputes that have remained unresolved for some time.

Competent Person

A minerals industry professional who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy, or of the Australian Institute of Geoscientists, or of a 'Recognised Professional Organisation', as included in a list available on the JORC and ASX websites. These organisations have enforceable disciplinary processes, including the powers to suspend or expel a member. A Competent Person must have a minimum of five years' relevant experience in the style of mineralisation or type of deposit under consideration and in the activity that the person is undertaking (JORC Code).

Contractor

A contractor is an employee of a company contracted by the employer to do work on its behalf and under its control with respect to location, work practices and application of health and safety standards.

COO

Chief Operating Officer.

CTO

Chief Technical Officer.

Copper equivalent production (CuEq)

Represents the payable copper equivalent production in kilotonnes and is calculated by accumulating revenue using average realised prices for all operations and dividing by the average realised price of copper.

Corporations Act

Corporations Act 2001 (Cth).

Cost, Insurance, and Freight (CIF)

A contractual term defining responsibilities and division of cost and risk between buyer and seller, in which the seller is responsible for clearing the goods for export and bears the cost of freight and insurance to the named port of destination. The buyer assumes all risks and costs for unloading the goods and clearing the goods for import. Risk passes from seller to buyer once the goods are on board the vessel at the port of shipment.

CTO

Chief Technical Officer.

Cut-off grade

The lowest grade, or quality, of mineralised material that qualifies as economically mineable and available in a given deposit. It may be defined on the basis of economic evaluation, or on physical or chemical attributes that define an acceptable product specification (JORC Code).

CYXX

Refers to the calendar year ending 31 December 20XX, where XX is the two digit number for the year.

Decarbonisation

Avoiding or reducing the greenhouse gas emissions associated with an activity.

Demerger

The separation of assets from BHP effected in May 2015 to create a separate entity South32 Limited, listed on the ASX, LSE and JSE.

Dewatering

Dewatering is the interception and removal of water from operational areas.

DTR

UK Financial Conduct Authority's Disclosure Guidance and Transparency Rules. A reference to DTR followed by a number is a specific rule under the DTR.

EAI

Equity accounted interest.

EBIT

Earnings before interest and tax.

EBITDA

Earnings before interest, tax, depreciation and amortisation.

Ecosystem services

Contributions made by ecosystems that benefit economic and other human activity. These include provisioning services, such as the provision of crops, wood or water, and regulating and maintenance services, such as water flow regulation and climate regulation services.

Effective tax rate (ETR)

Income tax expense/benefit divided by profit/loss subject to tax.

Emissions intensity

Refers to the amount of greenhouse gas emissions produced per unit of economic activity or production.

Emissions-limiting regulations

Regulations intended to limit or reduce emissions directly, such as cap-and-trade schemes, carbon tax/fee systems, and other emissions control (e.g. command-and-control approach) and permit based mechanisms.

Employee

Any person in full-time, part-time or casual employment engaged by South32 on a temporary or permanent basis pursuant to a contract of service.

Employee Share Ownership Plan (ESOP) Trusts

The trusts which purchase and hold South32 Limited shares for the purpose of the South32 Equity Incentive Plans. South32 has an Australian ESOP Trust and South African ESOP Trust.

Energy coal

Used as a fuel source in electrical power generation, cement manufacture and various industrial applications. Energy coal may also be referred to as steaming or thermal coal.

Energy consumption

Energy consumed where we have operational control includes fuel consumed for non-combustion and combustion activities, regardless of the use, i.e. stationary or mobile purposes. Where energy is consumed to generate a secondary energy stream (e.g. electricity generation or transfer of unprocessed natural gas to natural gas ready for distribution), only the primary energy consumption is reported.

Enterprise and Supplier Development (ESD)

Enterprise and Supplier Development (ESD) consists of two activities, Enterprise Development and Supplier Development. ESD is one of the priority elements of the *Broad-Based Black Economic Empowerment Act, 2013*, with the aim to strengthen local procurement from small, medium, and micro enterprises, and enhance local supplier development. The Enterprise Development component is also captured in our social investment expenditure.

Environmental assets

The naturally occurring living and non-living components of the Earth that make up the biophysical environment and may provide benefits to people and ecosystems.

Environmental incident

Any event with an impact to land, biodiversity, ecosystem services, water resources or air.

ESG

Environmental, social and governance.

EthicsPoint

A 24/7 confidential reporting hotline that is serviced by an independent provider.

Executive KMP

Lead Team members who are classified as KMP.

Exploration Results

Exploration Results include data and information generated by mineral exploration programs that might be of use to investors but which do not form part of a declaration of Mineral Resources or Ore Reserves (JORC Code).

Exploration Target

An Exploration Target is a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and range of grade (or quality), relates to mineralisation for which there has been insufficient exploration to estimate a Mineral Resource (JORC Code).

External Auditor

KPMG.

Fatality

A health or safety event where an injury or occupational illness has caused the death of one or more person(s).

FAusIMM

Fellow of the Australasian Institute of Mining and Metallurgy.

FAusIMM(CP)

Fellow of the Australasian Institute of Mining and Metallurgy. Accredited Chartered Professional status of members of the AusIMM. These members have undergone an assessment of their competencies, which are maintained through continuing professional development activities.

Firming

Firming refers to maintaining the output from an intermittent power source for a required length of time to ensure enough energy is available to meet demand.

Flotation

A method of selectively recovering minerals from finely ground ore using a froth created in water by specific reagents. In the flotation process, certain mineral particles are induced to float by becoming attached to bubbles of froth and the unwanted mineral particles sink.

Free cash flow

Free cash flow represents operating cash flows including distributions received from equity accounted investments, and after interest (paid)/received, tax (paid)/received and capital expenditure.

Free On Board (FOB)

A contractual term defining responsibilities and division of cost and risk between buyer and seller, in which the seller is responsible for clearing the goods for export and loading them on board the vessel at the named port of shipment. The buyer assumes all risks and costs for goods from this moment forward, including the cost of freight and insurance.

FX

Foreign exchange.

FYXX

Refers to the financial year ending 30 June 20XX, where XX is the two-digit number for the year.

Gearing

The ratio of (net debt/(cash)) to (net debt/(cash)) plus net assets.

GEMCO

Groote Eylandt Mining Company.

GHG

Greenhouse gas.

GHG Protocol

World Resources Institute and World Business Council for Sustainable Development Greenhouse Gas Protocol. A globally recognised framework for measuring and managing greenhouse gas emissions.

GISTM

Global Industry Standard on Tailings Management.

Global Reporting Initiative (GRI)

GRI is an international independent organisation that has established an international framework and standards for sustainability reporting. South32's Group-level sustainability-related disclosures are prepared in accordance with the GRI Sustainability Reporting Standards.

Global Warming Potential

A factor describing the radiative forcing impact (degree of harm to the atmosphere) of one unit of a given greenhouse gas relative to one unit of CO₂.

Goal

An aspiration to deliver an outcome for which we have not identified a pathway for delivery, but for which efforts will be pursued towards achieving that outcome, subject to certain assumptions or conditions.

Grade

Any physical or chemical measurement of the characteristics of the material of interest in samples or product (JORC Code).

Greenfield

An exploration or development project that refers to a new venture or operation, without any association or proximity to a current operation.

Greenhouse gas (GHG) emissions

For our reporting purposes, GHG emissions are the combined anthropogenic emissions of carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆). They are measured in carbon dioxide equivalent (CO₂-e). Hydrofluorocarbons (HFCs) GHG emissions are currently not relevant for our reporting purposes.

- Scope 1 emissions - GHG emissions from our own operations, including the electricity we generate at our sites.
- Scope 2 emissions - Indirect GHG emissions from the generation of purchased electricity.
- Scope 3 emissions - GHG emissions in the value chain.

Gross Domestic Product (GDP)

Total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period.

Hazard

Something that has the potential to cause harm, ill health or injury, or damage to property, plant, or the environment.

HMM

Hotazel Manganese Mines.

HRIAs

Human Rights Impact Assessments.

HRRSAs

Human Rights Risk Self-assessments.

Human Rights

Human rights are the universal and inalienable rights and freedoms that every person is entitled to regardless of race, sex, nationality, ethnicity, language, religion or any other status. Human rights recognise the inherent value of each person, based on principles of dignity, equality and respect.

HY1 FYXX

Refers to the 6 months starting on 1 July 20XX and ending on 31 December 20XX, where XX is the two-digit number for the year.

HY2 FYXX

Refers to the 6 months starting on 1 January 20XX and ending on 30 June 20XX, where XX is the two-digit number for the year.

ICMM

ICMM, previously referred to as the International Council on Mining and Metals, is an international organisation that leads through collaboration to enhance the contribution of mining and metals to sustainable development. As a corporate member, South32 commits to implementing and reporting on the ICMM Mining Principles, Performance Expectations and mandatory requirements set out in the Position Statements, which define environmental, social and governance requirements.

IMC

Illawarra Metallurgical Coal.

Indicated Mineral Resource

That part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence. This allows the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit (JORC Code).

Indigenous, Traditional and Tribal Peoples

We use the defined term 'Indigenous, Traditional and Tribal Peoples' as per the definition and guidance set out in the Indigenous and Tribal Peoples Convention, 1989 (No. 169). We use this term inclusively to encompass the diversity of worldwide Indigenous, Traditional and Tribal Peoples, including but not limited to First Nations, Native Americans, Traditional Owners, Aboriginal and Torres Strait Islander Peoples and other land connected communities. We recognise that no single definition can fully capture the diversity of Indigenous, Traditional and Tribal Peoples.

Inferred Mineral Resources

That part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity (JORC Code).

Injury

An occupational injury occurs during a single work shift or a single exposure to an agent(s) causing an acute toxic effect, which can be identified by time and place resulting from direct contact with an object following an instantaneous event. Examples include cut, puncture, laceration, abrasion, fracture, bruise, contusion, chipping tooth, amputation, insect bite, electrocution, or a thermal, chemical, electrical or radiation burn. Sprain and strain injuries to muscles joints connective tissue are classified as injuries when they result from a slip, trip, fall or other similar accidents.

Intergovernmental Panel on Climate Change (IPCC)

The IPCC is the United Nations body for assessing the science related to climate change. Established in 1988 by the World Meteorological Organization (WMO) and United Nations Environment Program (UNEP), the IPCC provides policymakers with regular assessments of the scientific basis of climate change, its impacts, future risks, and options for adaptation and mitigation.

International Financial Reporting Standards (IFRS)

Accounting standards as issued by the IASB (International Accounting Standards Board).

JORC

Joint Ore Reserves Committee comprising representatives of The Australasian Institute of Mining and Metallurgy (AusIMM), Australian Institute of Geoscientists (AIG) and Minerals Council of Australia (MCA) as well as the Australian Securities Exchange (ASX), the Financial Services Institute of Australasia (FinSIA) and the accounting profession.

JORC Code

The Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 Edition prepared by the JORC.

JSE

Johannesburg Stock Exchange.

Just transition

The concept of a just transition reflects the imperative to manage social impacts, risks and opportunities as we move towards a low-carbon economy. It is an approach to decarbonisation that seeks to centre the interests of those most affected — including workers and communities — to enable a fair, equitable and inclusive transition.

KMP

Key management personnel are people who have authority and responsibility for planning, directing and controlling the activities of South32 either directly or indirectly.

Landholdings

Total land owned, leased or managed by South32 at the time of reporting. It includes quarries, ports, load-out facilities, desalination plants, wind farms, lease hold land, freehold land, exploration leases, agricultural land and offshore operations.

Land classified as disturbed

Total land at the time of reporting that is physically impacted by the activities of the business (e.g. mining pits, quarries, waste rock dumps, tailings dams, infrastructure, building/offices, processing plants, roads and rails, camps, workshops, bore fields, water dams, drill pads, ground subsidence from underground mining that would be subject to future rehabilitation, stream diversions, topsoil stockpiles). Land disturbed excludes: a) Rehabilitated land, and b) Land disturbed by agricultural or industrial activities not related to the activities of the business but on land owned by the business and leased to third parties.

Land under progressive rehabilitation

Total land under progressive rehabilitation at the time of reporting and includes:

- Rehabilitated land where necessary treatment has been undertaken to achieve the pre-disturbance land use or an alternate land use developed in consultation with stakeholders and where no future land disturbance is planned other than maintenance activities. Regulatory approval that the rehabilitation is complete is not needed;
- Subsidised land that is safe and with no further work planned other than maintenance activities; and
- Disturbed land that has approval from a regulatory authority that the infrastructure or landform doesn't require further rehabilitation (e.g. stabilised mining voids, retained infrastructure such as roads, buildings).

Laterite

A residual soil or deposit formed by the leaching of silica from rocks under specific climatic conditions.

Leaching

The process by which a soluble metal can be economically recovered from minerals in ore by dissolution.

Leadership roles

A Leadership Role is a position in the organisational structure flagged as the head of an organisational unit.

Lead Team

All Chief positions within South32.

Life of Operation Plan

The combination of an Optimised Base Plan and incremental opportunities available to the operation for maximising value.

Living wage

The remuneration received for a standard work week by a worker in a particular place sufficient to afford a decent standard of living for the worker and their family.

Elements of a decent standard of living include food, water, housing, education, health care, transportation, clothing, and other essential needs including provision for unexpected events.

LME

London Metal Exchange.

Local procurement

Local procurement is the direct purchase of goods and services within the local communities in which South32 operates. Suppliers are deemed as local based on their proximity to our local communities, including boundaries defined by local government areas, provinces and states.

Local workforce diversity

Local workforce diversity is a metric consisting of five equally weighted sub-performance metrics measuring local workforce diversity across the regions in which we operate. This includes Black People in the total workforce in South Africa, Black People in Management Roles in South Africa, workforce in Mozambique, neighbouring community employees hired into "Unionised Positions" in Colombia, and Aboriginal and Torres Strait Islander Peoples representation in the Australian workforce.

Lost time injury

The sum of work-related (fatalities + injuries that caused permanent impairment >30% of body + lost time injuries). Lost time injuries include injuries that result in one or more lost work day after the day of the event.

Lost Time Injury Frequency (LTIF)

(The sum of Lost Time injuries x 1,000,000) ÷ exposure hours, for employees and contractors. This is stated in units of per million hours worked for employees and contractors. We adopt the United States Government Occupational Safety and Health Administration (OSHA) guidelines for the recording and reporting of occupational injuries and illnesses.

Low-carbon

Refers to substantially lower levels of GHG emissions when compared to the current state. Where used in relation to South32's products or portfolio, it refers to enhancement of existing methods, practices and technologies to substantially lower the level of embodied GHG emissions as compared to the current state.

LSE

London Stock Exchange.

LTI

Long-term incentive.

Management roles

Leadership positions filled by employees, identified either by job grading or by the requirements associated with their role.

Margin on third-party products

Comprises Underlying EBIT on third-party products and services, divided by underlying revenue on third-party products and services.

Marketable Coal Reserves

Represents beneficiated or otherwise enhanced coal product where modifications due to mining, dilution and processing have been considered (JORC Code).

Material Health Exposures

Material health exposures include potential exposure to carcinogens and airborne contaminants above an exposure limit.

Material sustainability topic

Topic that reflects a reporting organisation's significant economic, environmental, and social impacts or that substantively influences the assessments and decisions of stakeholders.

MAusIMM

Member of the Australasian Institute of Mining and Metallurgy.

MAusIMM(CP)

Member of the Australasian Institute of Mining and Metallurgy. Accredited Chartered Professional status of members of the AusIMM. These members have undergone an assessment of their competencies, which are maintained through continuing professional development activities.

MCA

Minerals Council of Australia.

Measured Mineral Resource

That part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit (JORC Code).

Metallurgical coal

A broader term than coking coal that includes all coals used in steelmaking, such as coal used for the pulverised coal injection process.

Mineral Resource

A concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are subdivided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories (JORC Code).

Mineralisation

Any single mineral or combination of minerals occurring in a mass, or deposit, of economic interest (JORC Code).

Mitigation hierarchy (Biodiversity)

Actions to be taken in order of priority throughout a project lifecycle to anticipate and avoid impacts on biodiversity. If impacts do occur, efforts should be made to minimise them and then restore the affected features. Significant residual losses should then be offset to achieve no net loss of biodiversity as a minimum.

Modern slavery

The term modern slavery is used to describe situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom. As defined by the *Australian Modern Slavery Act 2018* (Cth) modern slavery includes eight types of serious exploitation: trafficking in persons; slavery; servitude; forced marriage; forced labour; debt bondage; deceptive recruiting for labour or services; and the worst forms of child labour. The worst forms of child labour means situations where children are subjected to slavery or similar practices, or engaged in hazardous work.

Modifying Factors

Considerations used to convert Mineral Resources to Ore Reserves. These include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors (JORC Code).

MRN

Mineração Rio do Norte.

Nationally Determined Contributions (NDCs)

Countries' self-defined national climate pledges under the Paris Agreement, detailing what they will do to help hold global warming to well below 2°C above pre-industrial levels and pursue efforts to limit the increase to 1.5°C.

Nature positive

A high-level goal and concept describing a future state of nature (e.g. biodiversity, ecosystem services and natural capital) that is greater than the current state.

Nature-related impacts and dependencies

Nature-related impacts and dependencies describe the two-way relationship between an organisation and nature.

Impacts refer to the changes, positive or negative, that an organisation causes to the state of nature through its actions, whether directly, indirectly, or cumulatively. Examples include land use, emissions, or resource extraction.

Dependencies are aspects of environmental assets and ecosystem services that an organisation relies on to function, such as water supply, pollination, and climate regulation.

Nature-related risks and opportunities

Nature-related risks and opportunities arise from an organisation's impacts and dependencies on nature.

Nature-related risks are potential threats posed to an organisation that arise from its, and wider society's, dependencies and impacts on nature. Risks can be physical risks, transition risks or systemic risks.

Nature-related opportunities are activities that create positive outcomes for organisations and nature through positive impacts or mitigation of negative impacts on nature.

Near miss

An event that that does not result in any injury, illness, damage, or other loss but had the clear potential to do so. Energy exchange is not a requirement, thus when a rule or control is breached it would be considered a near miss if it had a clear potential to result in undesirable consequences (e.g. people were in the line of fire for a safety-related event).

Net cash

Comprises cash and cash equivalents less interest-bearing liabilities.

Net debt

Comprises interest-bearing liabilities less cash and cash equivalents.

Net gain

The point at which losses in biodiversity and ecosystem services are outweighed by proportional gains (so that a net gain is achieved) relative to a defined baseline state.

Net operating assets

Represents operating assets net of operating liabilities which predominantly exclude the carrying amount of nonmaterial equity accounted investments, cash, interest-bearing liabilities, tax balances and certain other financial assets and liabilities.

Net zero

Net zero greenhouse gas emissions are reached when anthropogenic emissions of greenhouse gases to the atmosphere are balanced by anthropogenic removals over a specified period.

No net loss

The point at which losses in biodiversity and ecosystem services are balanced by proportional gains (so that no net loss remains), relative to a defined baseline state.

Non-operated joint ventures

Operations, development projects and options, and exploration prospects which are not wholly owned by South32 Limited or its subsidiaries and for which South32 does not manage the operation. Details of South32's ownership interest can be found in our Annual Reporting Suite at [south32.net](https://www.south32.net).

Net smelter return

An estimate of revenue derived from the sale of products and concentrates following the application of metallurgical recoveries and deducting transport costs, treatment and refining charges, penalties and royalties. For Sierra Gorda, mining cost is also included in the calculation.

Occupational Exposure Limit (OEL)

The concentration of a substance or agent, exposure to which, according to current knowledge, should not cause adverse health effects nor cause undue discomfort to nearly all workers.

Occupational illness

An occupational illness is any abnormal condition or disorder, other than one resulting from an occupational injury, caused or aggravated by exposures to factors associated with employment. It includes acute or chronic illnesses or diseases which may be caused by inhalation, absorption, ingestion, or direct contact.

OECD

Organisation for Economic Co-operation and Development.

Operated joint ventures

Operations, development projects and options, and exploration prospects which are not wholly owned by South32 Limited or its subsidiaries and for which South32 manages the operation. Details of South32's ownership interest can be found in our Annual Reporting Suite at south32.net.

Operational emissions

Scope 1 and 2 GHG emissions from our operated assets.

Operating cost

Operating cost is Underlying revenue less Underlying EBITDA excluding third-party products and services.

Operating unit cost

Operating unit cost is Underlying revenue less Underlying EBITDA, excluding third-party products and services, divided by sales volumes.

Operating margin

Comprises Underlying EBITDA excluding third-party products and services EBITDA, divided by Underlying revenue excluding third-party products and services revenue. Also referred to as operating margin.

Ore Reserve

The economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Prefeasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified (JORC Code).

Operational water efficiency

Percentage of water used for operational activities which is reused/recycled water. Calculated as the sum of reuse and recycled water divided by the sum of water used for operational activities.

Our people

As defined in our Code of Business Conduct, our people includes South32 Directors, executive management, employees and contractor staff.

Paris Agreement

A legally binding international treaty adopted in 2015 by Parties to the United Nations Framework Convention on Climate Change (UNFCCC), committing governments to progressively strengthen national climate targets to limit warming to well below 2°C (pursuing 1.5°C), while enhancing adaptation and support for developing countries.

Payable copper equivalent production (kt)

Calculated by aggregating revenues from copper, molybdenum, gold and silver, and dividing the total Revenue by the price of copper.

Payable zinc equivalent (kt)

Calculated by aggregating revenues from payable silver, lead and zinc, and dividing the total Revenue by the price of zinc.

Physical risk

Physical climate risks are driven or intensified by weather, climate variability or climate change. They include acute risks, resulting from increased frequency or severity of extreme weather events (e.g. drought or flood events) that can disrupt operations, damage infrastructure and/or interrupt supply chains; and chronic risks, resulting from longer-term changes in climate patterns (e.g. sustained higher temperatures, changing rainfall patterns, sea level rise) that can progressively affect operational performance, natural resources availability (e.g. water) and energy needs.

Probable Ore Reserve

The economically mineable part of an Indicated and, in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Ore Reserve is lower than that applying to a Proved Ore Reserve (JORC Code).

Proved Ore Reserve

The economically mineable part of a Measured Mineral Resource. A Proved Ore Reserve implies a high degree of confidence in the Modifying Factors (JORC Code).

Pr.Sci.Nat.

Professional Natural Scientist of the South African Council for Natural Scientific Professions.

RAC

Risk and Audit Committee.

RAP

Reconciliation Action Plan.

Realised sales price

Realised sales price is calculated as Underlying revenue excluding third-party products and services divided by sales volume.

Recordable illnesses

The sum of work-related (fatalities + illnesses that caused permanent impairment >30% of body + lost time illnesses + restricted work illnesses + medical treatment illnesses).

Recordable injuries

The sum of work-related (fatalities + injuries that caused permanent impairment >30% of body + lost time injuries + restricted work injuries + medical treatment injuries).

Reserve Life

The scheduled extraction period in years for the Total Ore Reserves in the approved Life of Operation Plan.

Return on invested capital (ROIC)

Return on invested capital (ROIC) is a key measure that South32 uses to assess performance. ROIC is calculated as Underlying EBIT less the discount on rehabilitation provisions included in Underlying net finance costs, tax effected by the Group's Underlying effective tax rate (ETR) including our material equity accounted investments on a proportional consolidation basis, divided by the sum of fixed assets (excluding any rehabilitation assets, the impact of any impairments or impairment reversals, and unproductive capital) and inventories.

Reused/recycled water

Water that has been used in an operational task and is recovered and used again in an operational task, either without (reuse) or with (recycle) treatment.

ROM (Run of Mine product)

Product mined in the course of regular mining activities.

RPO (Recognised Professional Organisation)

Accredited organisations to which Competent Persons must belong for the purpose of preparing reports on Exploration Results, Mineral Resources and Ore Reserves for submission to the ASX (if they are not members of the AusIMM or AIG).

SACNASP

South African Council for Natural Scientific Professions.

Salient human rights issues

As defined by the United Nations Guiding Principles Reporting Framework, salient human rights issues are those human rights that stand out because they are at risk of the most severe negative impact through the company's activities or business relationships. This concept of salience uses the lens of risk to people, not the business, as the starting point, while recognising that where risks to people's human rights are greatest, there is strong convergence with risk to the business.

SAEC

South Africa Energy Coal.

‘Safety guarantee’

Nothing is more important than the health, safety and wellbeing of our people. At South32, we are united by our belief that everyone can go home safe and well, every day. Our ‘safety guarantee’ is our internal approach to creating a sense of chronic unease to enhance our safety culture. Every day, we ask our people to reflect on whether they can guarantee both their safety and that of their colleagues when executing their role. If the answer is no, then the challenge is to stop and ask what would need to be done differently to provide that guarantee.

Sands

Tailings produced as a by-product during beneficiation of ore.

SASB

Sustainability Accounting Standards Board.

Scope 1 emissions

GHG emissions from our own operations, including the electricity we generate at our sites.

Scope 2 emissions

Indirect GHG emissions from the generation of purchased or acquired electricity, steam, heating or cooling consumed by an entity. Purchased and acquired electricity is electricity that is purchased or otherwise brought into an entity’s boundary. Scope 2 greenhouse gas emissions physically occur at the facility where electricity is generated.

Scope 3 emissions

Indirect greenhouse gas emissions (not included in Scope 2 greenhouse gas emissions) that occur in the value chain of an entity, including both upstream and downstream emissions. Scope 3 greenhouse gas emissions include the Scope 3 categories in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).

Senior Leadership Team

Presidents and Vice Presidents reporting to members of the South32 Lead Team and the Company Secretary.

Significant event

Any event with Actual or Potential Health Safety Severity of PL4 (Potential for Fatality) or above.

Significant hazards frequency

(The sum of significant hazards x 1,000,000) ÷ exposure hours. This is stated in units of per million hours worked for employees and contractors. A significant hazard is something that has the potential to cause harm, ill health or injury, or damage to property, plant or the environment.

SMMEs

Small, medium and micro enterprises.

Social investment

Contributions made to support communities where we operate or have an interest. Our contributions to community programs comprise direct investment (including Enterprise Development, a component of Enterprise and Supplier Development), in-kind support and administrative costs.

Source Pathway Receptor

Process to identify air emission sources and assess potential impacts. Begins with locating where the air emissions originate (source), followed by assessing how they can travel through the environment (pathway), then consideration is given to who or what could be affected (receptor), being communities and the environment.

South32 Equity Incentive Plan

An equity incentive plan that allows the Board to make offers to employees to acquire securities in South32 Limited and to otherwise incentivise employees.

South32, South32 Group or Group

Refers to South32 Limited and its subsidiaries and operated joint ventures, unless otherwise stated.

South32 share

South32’s ownership share of operations are presented as follows: Worsley Alumina (86% share), Brazil Alumina (36% share), Brazil Aluminium (40% share), Hillside Aluminium (100%), Mozal Aluminium (63.7% share), Sierra Gorda (45% share), Cannington (100%), Hermosa (100%), Cerro Matoso (99.9% share), Australia Manganese (60% share) and South Africa Manganese ore (54.6% share). Prior to the divestment of Illawarra Metallurgical Coal on 29 August 2024, South32’s ownership was 100%. Prior to the divestment of South Africa Manganese alloy on 3 June 2025, South32’s ownership was 60%. Unless otherwise stated: all metrics reflect South32’s share.

Stockpile (SP)

An accumulation of ore or mineral built up when demand slackens or when the treatment plant or beneficiation equipment is incomplete or temporarily unable to process the mine output; any heap of material formed to create a buffer for loading or other purposes, or material dug and piled for future use.

STI

Short-term incentive.

Supply chain

The global network of suppliers that support South32’s operations, development options and exploration programs through the flow of goods, services and information.

Sustainability, sustainable development, sustainably, sustainable

Our approach to sustainability aims to balance environmental, social and economic considerations in a way that creates enduring value for our stakeholders. We recognise that in many cases these considerations will be interdependent or may compete or conflict with each other. In delivering our strategy we aim to understand and balance the environmental, social and economic impacts of our business in a way that seeks to create value overall. References to sustainability (including sustainable development and sustainably) in the suite or other disclosures do not mean that there will be no adverse impact, or an absolute outcome, in any one area.

Tailings

The left-over materials that remain after the target mineral is extracted from ore.

Target

An intended outcome in relation to which we have identified one or more pathways for delivery of that outcome, subject to certain assumptions or conditions.

Taskforce on Climate-Related Financial Disclosures (TCFD)

The TCFD developed a framework for climate-related financial disclosures, including a set of recommended disclosures structured around the four recommendation pillars of governance, strategy, risk management, and metrics and targets. The TCFD was disbanded in October 2023 and the International Sustainability Standards Board will monitor progress on the state of climate-related financial disclosures by companies.

Taskforce on Nature-Related Financial Disclosures (TNFD)

The TNFD has developed a framework for nature-related disclosures, including a set of disclosure recommendations structured around the four recommendation pillars of governance, strategy, risk and impact management, and metrics and targets.

TEMCO

Tasmanian Electro Metallurgical Company.

Total disturbed landholdings

Represents the total landholdings which have been disturbed by our operations over time, and is the sum of land classified as disturbed and land that is under active rehabilitation.

Total Mineral Resources

The sum of Inferred Mineral Resources, Indicated Mineral Resources and Measured Mineral Resources.

Total Ore Reserves

The sum of Proved Ore Reserves and Probable Ore Reserves.

Total Recordable Injury Frequency (TRIF)

(The sum of recordable injuries x 1,000,000) ÷ exposure hours, for employees and contractors. This is stated in units of per million hours worked for employees and contractors. We adopt the United States Government Occupational Safety and Health Administration (OSHA) guidelines for the recording and reporting of occupational injuries and illnesses.

Total Recordable Illness Frequency (TRILF)

(The sum of recordable illnesses x 1,000,000) ÷ exposure hours, for employees and contractors. This is stated in units of per million hours worked for employees and contractors. We adopt the United States Government Occupational Safety and Health Administration (OSHA) guidelines for the recording and reporting of occupational injuries and illnesses.

Total Shareholder Return (TSR)

TSR measures the return delivered to shareholders over a certain period through the change in share price and any dividends paid. It is a measure used to compare our performance to that of relevant peer groups under the LTI.

Transformation

A national strategy in South Africa aimed at attaining national unity, promoting reconciliation through negotiated settlement and non-racism.

Transition materials

CA100+ Net Zero Standard for Diversified Mining, defines transition materials into two categories which include Key Transition Materials (KTMs) and Other Transition Materials (OTMs). KTMs include lithium, copper, nickel, cobalt for example, while OTMs include aluminium, alumina and bauxite, silver, zinc, manganese and lead for example (both lists are not exhaustive).

Transition risks

Risks that arise from efforts to transition to a lower-carbon economy. Transition risks include policy and legal, technology, market and reputational risks. These risks could carry financial implications for an entity, such as increased operating costs or asset impairment due to new or amended climate-related regulations. The entity's financial performance could also be affected by shifting consumer demands and the development and deployment of new technology.

TSF

Tailings Storage Facility.

TSX

Toronto Stock Exchange.

Underlying earnings

Underlying earnings is profit after tax and earnings adjustment items. Earnings adjustments represent items that don't reflect our underlying operations. We believe that Underlying earnings provides useful information, but should not be considered as an indication of, or an alternative to, profit or attributable profit as an indicator of operating performance.

Underlying earnings attributable to members

Underlying earnings attributable to members is Profit/(loss) after tax, net of amounts attributable to non-controlling interests and earnings adjustment items, from continuing and discontinued operations. Underlying earnings attributable to members is the key measure that South32 uses to assess the performance of the South32 Group, make decisions on the allocation of resources and assess senior management's performance.

Underlying EBIT

Underlying EBIT is profit/loss before net finance income/costs, tax and any earnings adjustments, including impairments, from continuing and discontinued operations. The performance of each of the South32 operations and operational management is assessed based on Underlying EBIT. In order to calculate Underlying EBIT, the following items are adjusted as applicable each period, irrespective of materiality: Exchange rate gains/losses on restatement of monetary items; Impairment losses/reversals; Gains/losses on disposal and consolidation of interests in operations; Gains/losses on non-trading derivative instruments, contingent consideration and other investments measured at fair value through profit or loss; Major corporate restructures; Joint venture adjustments; Exchange rate variations on net cash/debt; Tax effect of earnings adjustments; and Exchange rate variations on tax balances. In addition, items that do not reflect the underlying operations of South32, and are individually, or in combination with other related earnings adjustments, significant to the financial statements, are excluded to determine Underlying earnings. When applicable, significant items are detailed in the Financial Report.

Underlying EBIT margin

Comprises Underlying EBIT excluding third-party products and services EBIT, divided by Underlying revenue excluding third-party products and services revenue.

Underlying EBITDA

Underlying EBITDA is Underlying EBIT before Underlying depreciation and amortisation, and excludes third-party products and services EBITDA. In order to calculate Underlying EBITDA, the following items are adjusted as applicable each period, irrespective of materiality: Exchange rate gains/losses on restatement of monetary items; Impairment losses/reversals; Gains/losses on disposal and consolidation of interests in operations; Gains/losses on non-trading derivative instruments, contingent consideration and other investments measured at fair value through profit or loss; Major corporate restructures; Joint venture adjustments; Exchange rate variations on net cash/debt; Tax effect of earnings adjustments; and Exchange rate variations on tax balances. In addition, items that do not reflect the underlying operations of South32, and are individually, or in combination with other related earnings adjustments, significant to the financial statements, are excluded to determine Underlying earnings. When applicable, significant items are detailed in the Financial Report.

Underlying EBITDA margin

Comprises Underlying EBITDA excluding third-party products and services EBITDA, divided by Underlying revenue excluding third-party products and services revenue. Also referred to as operating margin.

Underlying effective tax rate (ETR)

Underlying income tax expense, including royalty related tax, divided by Underlying profit subject to tax.

Underlying revenue

Underlying revenue includes revenue from third-party products and services.

Unionised Positions

All Cerro Matoso positions except the positions of Presidents, Vice Presidents, Managers, Directors, Superintendents, Department Heads, Supervisors, Interns, and positions occupied by workers on probation and professionals with completed university degrees or postgraduate degrees.

United Nations Global Compact (UNGC)

The United Nations Global Compact is a call to companies to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption, and take actions that advance societal goals. South32 is an active member of the UNGC since 2019.

UN SDGs

United Nations Sustainable Development Goals.

Value chain

The interrelated activities and systems encompassing the full lifecycle and value creation of our products and processes, beginning with South32's exploration and development of commodities, followed by processing, refining and smelting, and culminating in the sale and distribution to customers and the closure of mines.

Water consumption

Water that is removed by evaporation, entrainment (in product or waste) or other losses, and not released back to surface water, groundwater, seawater or a third party.

Water outputs/discharge

Water that is released from the operational water system through discharge back to the water environment or piping to third parties, and/or through other outputs, including water consumed (removed by evaporation, entrainment in product, waste or other losses) in an operational task or activity.

Water risk

Water risk is the possibility of an entity experiencing a water-related challenge (e.g. water scarcity, water stress, flooding, infrastructure decay, drought). The extent of risk is a function of the likelihood of a specific challenge occurring and the severity of the challenge's impact. The severity of impact itself depends on the intensity of the challenge, as well as the vulnerability of the actor.

Water scarcity

Water scarcity refers to the lack of sufficient available water to meet the water usage demands of the region. This can be from the lack of physical water and the lack of financial means to gain access to water.

Water to tasks

The total flow of water to a task. A task is a set of operational activities that use water.

Water inputs/withdrawal

Water that is drawn from the environment (surface water, groundwater or seawater) or purchased from third parties, for use in a task or activity.

Yield

The percentage of material of interest that is extracted during mining and/or processing. A measure of mining or processing efficiency (JORC Code). When used in reference to the Mineral Resource estimate, yield refers to the sample mass recovery following beneficiation.

Units of measure

%	percentage or per cent
A\$/t	Australian dollars per tonne
CuEq	copper equivalent
dmtu	dry metric tonne unit
g/t	grams per tonne
ha	hectare
Kcal/kg	thousand calories per kilogram
kdmt	thousand dry metric tonne
kL	kilolitre
km	kilometre
koz	thousand ounces
ktpa	kilotonnes per annum
kt	kilotonnes (metric)
kW	kilowatt
kwmt	thousand wet metric tonnes
lb	pound
ML	megalitre
m	metre
Moz	million ounces
Mt	million metric tonnes
Mtpa	Million metric tonnes per annum
Mwmt	million wet metric tonnes
MW	megawatt
oz	ounce
t	Metric tonne

tpa	Metric tonnes per annum
tpd	Metric tonnes per day
tph	Metric tonnes per hour
US\$B	US dollars in billions
US\$/lb	US dollars per pound
US\$M	US dollars in millions
US\$/oz	US dollars per ounce
US\$/t	US dollars per tonne

Terms used in resources and reserves

A.Al₂O₃	available alumina
Ag	Silver
Au	Gold
Cu/TCu	Copper/total copper
Fe	iron
Met	metallurgical coal
Mn	manganese
Mo	molybdenum
Ni	nickel
OC	open-cut/open-pit/opencast
Pb	lead
R.SiO₂	reactive silica
S	sulphur
Th	thermal coal
UG	underground working
VM	Volatile Matter
Zn	zinc

